

# Restoring drinking water --

OCT. 2000

## State funds for replacing contaminated wells (Well Compensation)

Wisconsin's Well Compensation grant program provides financial assistance to replace, reconstruct or treat contaminated private water supplies; or to connect to a community water system. This publication explains who is eligible and how to apply for financial assistance.

To be eligible for a grant a person must own a contaminated private water supply that serves a residence or is used for water for livestock. Owners of springs or dug wells are not eligible for a grant. Owners of wells serving commercial establishments are not eligible except if the commercial building also contains a residential unit or apartment.

**Note:** It is very important to not have a replacement water supply constructed or reconstructed before you receive an award letter or a proceed notice from the Department of Natural Resources. If you do, you will not be eligible for a grant.

### When is a well considered contaminated?

Your existing well is considered contaminated if the DNR has advised you in writing not to drink the water from your well, or if the results of two water tests analyzed by a certified laboratory indicate your well water exceeds a health-related State or federal drinking water standard for contaminants other than bacteria or nitrate.

Examples of such well contaminants include heavy metals such as lead, mercury and arsenic; pesticides; and volatile organic chemicals contained in products such as industrial solvents; degreasers; paint; gasoline and fuel oil. Owners of wells contaminated solely by bacteria or nitrate are not eligible, with one exception for nitrate. Owners of wells that supply water for livestock are eligible if the well is contaminated with at least 40 parts per million nitrate, expressed as nitrogen. (Note: This is four times the drinking water standard for nitrate.)

### Who can apply for a grant?

This program applies only to private water supplies. Landowners and tenants, or their spouses, dependents, heirs or legal representatives can apply for a grant. To be eligible your annual family income may not be more than \$65,000 for the previous year. Further, if your income is between \$45,000 and \$65,000, your award will be reduced by \$0.30 for each dollar of income exceeding \$45,000. Local governments, schools district, and State or federal agencies are not eligible for grants.

### What costs are eligible for grant funding?

The Well Compensation Grant Program provides partial cost sharing for the following activities:

- Water testing, if it shows that the well is contaminated;
- Reconstructing a contaminated well;
- Constructing a new replacement well;
- Connecting to an existing private or community water supply;
- Installing a new pump and storage pressure tank, including the associated pump discharge piping;
- Properly abandoning the contaminated existing well;
- Providing temporary bottled or trucked water.
- Equipment for water treatment (if no other option (above) is feasible);

The eligible cost in an administrative code amounts for these activities are set by DNR code funding tables. Well construction work must be done according to DNR specifications and the contaminated well must be properly abandoned and filled according to State Well Code specifications before payment will be made.

(Please note again that the costs for any work done before your claim is filed and approved by the DNR are not eligible for reimbursement.

### How much money can I get?

The well compensation program presently provides 75% of the total eligible costs, up to a maximum grant amount of \$9,000. For example, if the eligible cost of replacing your contaminated well is \$10,000, the state grant share would be \$7,500. If, however, your total costs are over \$12,000 the largest grant you can receive is \$9,000. You are responsible for paying a minimum of \$250 and the segment of the costs exceeding \$12,000 or not covered by the grant. If you receive funding from any other private sources to cover some or all of the costs of your replacement water supply, your grant may be reduced if the sum of the Well Compensation Grant and the other grant exceeds 100% of the eligible costs.

The grant amount you receive is considered taxable income by the IRS and must be reported to them as such.

## Is there any other financial assistance available if I can't pay for all or a portion of my share of the well compensation grant?

Additional money from the State Environmental Fund may be available to pay for all or a part of that portion of your replacement water supply costs not reimbursed by the Well Compensation grant (minus a small deductible). You must meet low income and other criteria found in ch. NR 738, Wis. Adm. Code, for Temporary Emergency Water Supplies, in order to be eligible. If you are interested in receiving these funds, please request the Department to evaluate your eligibility for Environmental Fund money under Ch. NR 738 at the time you submit your request for payment for the Well Compensation program.

## How do I apply for a grant?

If you suspect that your well is contaminated, the first thing you should do is call your DNR regional office. DNR Private Water Program staff can help you determine the nature of your water problem, possible solutions, whether or not you are eligible for a well compensation grant and if so supply you with the necessary forms.

To apply for a grant you must fill out claim forms available from our regional offices. Your claim must include information about your existing well and the contamination problems along with a description and cost estimate of the most feasible solution to attempt to solve the problem.

Possible alternatives include reconstructing your existing well, constructing a new well, or connecting to a nearby contaminant-free water supply. If none of these alternatives are feasible, you might be allowed to install a State-approved water treatment device.

Your claim must also include a copy of your Wisconsin State income tax return for the previous year to show that you are income eligible.

## Who will help me put this information together?

DNR staff is available to help you by explaining the requirements of the program, assist you in evaluating the possible alternatives for solving your well contamination problem, and help you complete the forms.

If you are going to reconstruct your existing well or choose to drill a new well, you should select a licensed well driller and have the driller help you with the well construction details. A licensed pump installer should help you with the pump installation features and specifications.

## If my application is approved, when do I receive the money?

Grant funds are awarded on a first-come, first-served basis. If funds are available for your claim you will receive a grant award letter. Payment of the grant award will be made only after the work is completed and you have sent a payment request on DNR forms to one of the regional offices listed below.

If funds are not available at the time, your claim will be placed on a waiting list for possible funding in the future. In such case, you will receive a "notice to proceed". You may then proceed to have the work done. You will receive payment if and when the legislature adds more money to the Well Compensation Fund. However, there is no guarantee that money will be added.

### Regional Offices

- ☐ **NORTHERN REGION**  
Department of Natural Resources  
810 W Maple Street  
Spooner, WI 54801  
(715) 635-2101
- ☐ **SOUTHEAST REGION**  
Department of Natural Resources  
2300 N Dr Martin Luther King Jr Dr  
P.O. Box 12436  
Milwaukee, WI 53212  
(414) 263-8500
- ☐ **WEST CENTRAL REGION**  
Department of Natural Resources  
107 Sutliff Ave  
Rhineland, WI 54501  
(715) 365-8900
- ☐ **SOUTH CENTRAL REGION**  
Department of Natural Resources  
3911 Fish Hatchery Road  
Fitchburg, WI 53711  
(608) 275-3266
- ☐ **NORTHEAST REGION**  
Department of Natural Resources  
1125 N. Military Avenue  
PO Box 10448  
Green Bay, WI 54307  
(920) 492-5800
- ☐ **CENTRAL OFFICE**  
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101 S Webster Street  
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